

# The President's Daily Brief

*September 25, 1976*

2

*Top Secret*

25X1

Exempt from general  
declassification schedule of E.O. 11652  
exemption category 5B(1)(2)(3)  
declassified only on approval of  
the Director of Central Intelligence

*FOR THE PRESIDENT ONLY*

September 25, 1976

Table of Contents

USSR-Rhodesia: The USSR's initial reaction to the announcement of Rhodesia's acceptance of the peace plan was predictably negative. (*Page 1*)

Lebanon: The tripartite talks will not be resumed until sometime after the Muslim holiday ends on Sunday to give the Palestinians and Lebanese leftists time to examine a new Syrian cease-fire proposal. (*Page 1*)

China: The Politburo, which probably has been meeting since Mao's funeral, apparently is having difficulty resolving some of the problems facing it. (*Page 2*)

USSR-China: Soviet propaganda on China continues in the conciliatory vein adopted since the death of Mao Tse-tung. (*Page 3*)

Notes: China; Ethiopia; USSR; Egypt-France; Israel-Chile; Portugal. (*Pages 5, 6, and 7*)

*FOR THE PRESIDENT ONLY*

*FOR THE PRESIDENT ONLY*

USSR-RHODESIA: *The USSR's initial reaction to the report of Rhodesia's acceptance of the peace plan was predictably negative.*

Soviet radio commentary characterized the plan as a deal made by the "imperialists and racists" behind the backs of the native African majority. It said that the plan had only the appearance of a settlement and left the racists with a "multitude of loopholes." The report also expressed doubt about how much trust should be put in Smith's promises. The commentary concluded with an accusation that the US and Britain had formulated a plan to save their political and economic interests, which are dependent upon the existence of the "racist regimes."

The Soviets are likely to refrain from more authoritative commentary in their central press until they are sure of the details of the plan and have some indication of how the "front-line" African leaders are going to play it.

\* \* \*

LEBANON: *Arab League mediator al-Khuli has put off resuming the tripartite talks until after the Muslim holiday ends on Sunday, apparently in part to give the Palestinians and Lebanese leftists time to examine a new Syrian cease-fire proposal.*

Both Yasir Arafat, who declared a unilateral truce on Thursday, and the Syrians, by their latest proposal, apparently wish to appear as helpful as possible to the new Lebanese president in restoring some momentum to the stalled tripartite negotiations.

It is uncertain how much longer Syria's President Asad can continue to tolerate the present stalemate. The Syrians' political pressure on Arafat over the past month or so has produced meager results thus far, while continuing to drain the Syrian treasury.

25X1

--continued

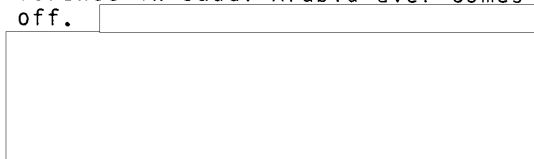
*FOR THE PRESIDENT ONLY*



25X1

Should Sarkis fail to make any tangible progress soon through negotiations, Asad seems almost certain to resort once more to force to try to bring the PLO and the leftists to terms. In all probability, the Syrians would let the Christians bear the brunt of any new fighting in order to avoid incurring heavy casualties.

The timing of any new Syrian-Christian military move is likely to depend in part on whether the proposed four-power Arab summit conference in Saudi Arabia ever comes off.



25X1

\* \* \*

CHINA: *Several deviations from usual Chinese procedure suggest that the Politburo, which has probably been meeting since Mao's funeral, is having difficulty resolving some of the immediate problems facing it.*

Aside from the larger issue of the succession, which the leadership may not yet have tackled head on, the Chinese have still not pronounced on the disposition of Mao's body or the future course of the current anti-rightist campaign. There also seems to be some indecision, predating Mao's death, over whether to name Politburo member Wu Te to the post of Chairman of the National People's Congress, the de facto head of state.

The Chinese have canceled celebrations for National Day on October 1. Although this is being explained as a continuation of the mourning period for Mao, political problems may be involved.

--continued

*FOR THE PRESIDENT ONLY*

Wu Te, who is next in line for the Chairmanship of the National People's Congress, was attacked in wall posters by party leftists in 1974, and it is possible they are trying to block his promotion. As NPC chairman, Wu could be entitled to a spot on the Politburo's elite Standing Committee, currently down to four members. This would improve the position of rightists on the Committee which, with two leftists, one rightist, and "centrist" Premier Hua Kuo-feng, is not truly representative of the composition of the Politburo or the Central Committee. A better balance on the Standing Committee is directly related to the succession since that body, in the immediate future at least, is likely to rule China collectively.

\* \* \*

USSR-CHINA: *Soviet propaganda on China continues in the conciliatory vein adopted since the death of Mao Tse-tung.*

Soviet propagandists are busy recalling the supposedly halcyon days of Sino-Soviet cooperation in the 1950s and expressing Moscow's desire to return to those days. The marked shift in Soviet propaganda probably is intended to encourage any of Mao's successors who may be inclined toward less hostile relations with the USSR, or at least to build a public case that Moscow has done all it could to improve relations with China.

Moscow, because it has no insight as to where in China's bureaucracy the less anti-Moscow elements are located, is trying to appeal to all elements who might figure in China's succession struggle in its broadcasts to China. The Soviets

--continued

*FOR THE PRESIDENT ONLY*

are directing some attention to  
China's military, who they have  
long maintained will probably be  
decisive in determining the out-  
come of China's succession struggle.

\* \* \*

--continued

*FOR THE PRESIDENT ONLY*

NOTES

*Chinese forces are continuing to maintain a low-level alert posture, although the standdown in Chinese military activity following Chairman Mao's death has ended.*

25X1  
naval observation units along China's southern coast are maintaining a low-level alert until October 1. Some air and ground forces presumably will do the same.

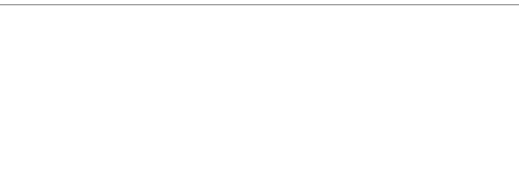
The Chinese seem to be particularly wary of the Taiwanese. During the 10-day mourning period for Chairman Mao, Chinese fighter activity was mainly restricted to defensive operations near the southern coast opposite Taiwan.

25X1

\* \* \*

*The situation in Addis Ababa remains uneasy in the wake of labor and student unrest this week and an assassination attempt Thursday night against Major Mengistu Hailemariam, the first vice chairman of the ruling military council.*

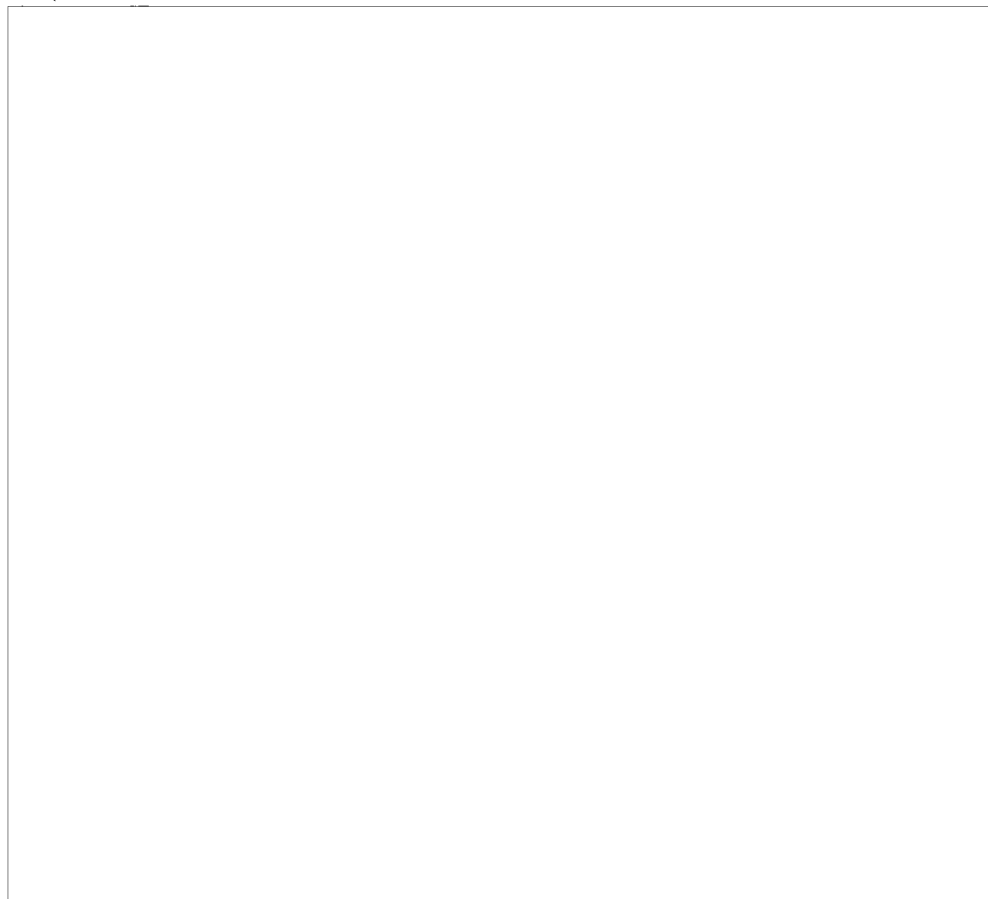
The unrest has apparently heightened the nervousness of the council, which has been especially concerned over the threat posed by the clandestine Marxist Ethiopian People's Revolutionary Party. This party, which demands an immediate return to civilian rule, is well organized and has extended its network of 25X1 supporters to labor, students, and other urban groups.



Mengistu announced yesterday that he had been slightly wounded in the attack on his car and that another

--continued





25X1

*FOR THE PRESIDENT ONLY*

passenger--rumored to be a member  
of the ruling council--has been  
hospitalized. The council may use  
the attack and civil unrest as an  
excuse to repress its opponents,  
much like it did during strikes  
last year.

\*

\*

\*

25X1

25X1

25X1

25X1

\*

\*

\*

Egypt,

25X1

France.

--continued

*FOR THE PRESIDENT ONLY*

\* \* \*

Israel has delivered  
air-to-air missiles to  
Chile, the first Israeli  
arms sale to that coun-  
try.

Chile's other recent arms acquisi-  
tions reportedly include surface-  
to-surface missiles from France  
and anti-tank missiles from West  
Germany. Chile has contracted for  
over \$200 million worth of mili-  
tary equipment from Western sources  
since the end of the Allende gov-  
ernment.

Latin America has become one of  
Israel's largest arms markets. The  
Israelis have sold a variety of  
military equipment to 13 other  
Latin American countries, primarily  
in the past three years.

\* \* \*

The Communist-con-  
trolled trade union  
confederation in Portu-  
gal is moving ahead  
with plans for a con-  
gress aimed at confirm-  
ing Communist dominance  
of the country's labor  
movement.

The Communists' pressure may lead  
the non-Communist unions to set  
up a rival confederation of their  
own.

The Socialists have built up a  
substantial following in organized  
labor during the past year, but  
still cannot rival the organiza-  
tion and discipline of the Commu-  
nists. The Socialists are using  
their control of the government  
to pass legislation unfavorable  
to the Communists. One of the  
first priorities will be repeal  
of the law permitting only one  
labor confederation, leaving the  
Socialists free to set up a rival  
non-Communist organization.

Nearly half of some 300 to 400  
Portuguese unions are affiliated  
with the Communist-controlled con-  
federation, whereas the non-Com-  
munists claim the allegiance of  
only about 50.

*Top Secret*